

**MINUTES OF A REGULAR MEETING OF  
THE TORRANCE WATER COMMISSION**

**1. CALL TO ORDER**

The Torrance Water Commission convened in a regular session at 7:01 p.m. on Monday, January 21, 2010 in the West Annex Meeting Room at Torrance City Hall.

**2. ROLL CALL:**

Present: Commissioners Deemer, Haddon, Lefevre, McGee, Lew, White, and Chairperson See.

Absent: None.

Also Present: Public Works Director Beste,  
Senior Administrative Analyst Schaich, and  
Metropolitan Water District Director Wright.

**3. FLAG SALUTE**

Commissioner White led the Pledge of Allegiance.

Commissioners and staff welcomed new Commissioner Lefevre and returning Commissioner White.

**4. AFFIDAVIT OF POSTING**

**MOTION:** Commissioner White moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. Commissioner Haddon seconded the motion; a voice vote reflected unanimous approval.

**5. APPROVAL OF MINUTES**

**5A. MINUTES OF NOVEMBER 16, 2009**

**MOTION:** Commissioner McGee moved for the approval of the November 16, 2009 minutes as submitted. Commissioner Haddon seconded the motion; a voice vote reflected unanimous approval (with Commissioners Lefevre and White abstaining).

**6. ORAL COMMUNICATIONS FROM PUBLIC**

None.

**7. UNFINISHED BUSINESS**

**7A. UPDATE REGARDING STATUS OF WATER SUPPLY ALLOCATION  
PROGRAM REQUIRING REDUCTION IN METROPOLITAN WATER DISTRICT  
IMPORTED WATER DELIVERIES**

Senior Administrative Analyst Schaich presented a midyear update from Metropolitan Water District (MWD) regarding Torrance Municipal Water's water use compared to the Water Supply Allocation Plan target. He stated that the report covers the first six months of fiscal year 2009-10 and was pleased to announce that TMW is currently approximately 14% below the target baseline. He noted that, due to MWD's depletion of storage over the past four years, excess supplies would go to replenish reservoirs and basins. He advised that there will probably be some form of allocation next year although there may be some rule changes to the allocation formulas.

Responding to Commissioner Lew's inquiry, Public Works Director Beste stated that the 5% allocation on the State Water Project should increase considerably because of recent rainfall and snow. He added that Central Basin and San Gabriel Basin would particularly receive a large amount of replenishment from the recent rainfall.

MWD Director Wright pointed out that even if MWD is given its full State Water Project allotment, they are still unable to move water through the Delta due to all the environmental restrictions.

When Commissioner White stated that the State needs groundwater management, Senior Administrative Analyst Schaich stated that we are fortunate that this part of Southern California has a managed, adjudicated basin.

In response to Commissioner Deemer's inquiry regarding Central Valley, MWD Director Wright stated that they are drawing on that storage.

Chairperson See inquired about other MWD member agencies and was informed that most agencies are meeting their Water Supply Allocation Plan targets.

## **8. NEW BUSINESS**

### **8A. PROPOSED METROPOLITAN WATER DISTRICT BUDGET AND WHOLESALE WATER RATES FOR FISCAL 2010-11**

Public Works Director Beste presented a report regarding MWD's Budget and Rate Proposal for fiscal year 2010-11. He showed projections from MWD's 2009-10 budget in which a 19.7% rate increase was expected for 2010 and a 21.5% increase for 2011. He reported that a recent reassessment of MWD's budgetary and fiscal situation indicates that an overall rate increase of 12.6%, effective January 2011, will be sufficient to recover the full cost of service without utilizing financial reserves. He stated that the Board is considering a two-year package, with an 8% increase the first year. He discussed key factors that changed their initial projection: supply program costs are lower, future debt service is lower, demand management costs are lower, and Departmental operations and maintenance costs are flat.

MWD Director Wright stated that he would prefer a 12.6% increase all at once rather than over a two year period because he is concerned that they may not be able to continue to sell 1.9 million acre feet of water per year.

Public Works Director Beste reported that Torrance Municipal Water is only concerned with the Tier 1 untreated rate, which would increase \$74 per acre-foot from 2010 to 2011 based on a 12.6% increase. He stated that MWD wholesale rates have

increased by approximately 70% since 1996, noting that local water is looking more affordable as imported water costs keep increasing.

MWD Director Wright advised that MWD plans to set water rates in April rather than March beginning next year and briefly discussed a proposal to build a tunnel instead of a peripheral canal around the Bay Delta.

#### **9. METROPOLITAN WATER DISTRICT DIRECTOR'S REPORT**

MWD Director Wright reported on the Quantification Settlement Agreement (QSA) regarding Colorado River issues. He stated that it was recently overturned by a State court but would be in Federal courts for many years to come. He provided background on the QSA that was developed in 2003 to conserve water. He explained that MWD was cut back from a full aqueduct to an allotment of 550,000 acre-feet in 15 years and would get surplus water that comes down the Colorado River. However, because of the drought from 2000 to 2007, there was no more surplus water. He discussed possible solutions to problems with the Salton Sea, a proposal to construct an ocean desalination plant at Rosarito Beach in Mexico, and a concern that the surface elevation of Lake Mead will decrease to 1,075 which is considered a shortage condition. He concluded his report by reiterating the importance of developing local supply.

#### **10. WEST BASIN WATER ASSOCIATION REPORT**

Public Works Director Beste announced that West Basin received a favorable ruling regarding the conjunctive use water storage agreement for the West Basin. He stated that lawyers are drafting final documents but that there may be appeals from Tesoro Refinery and Hillside. He discussed preparation of a planning document to enhance local programs and the need for more assessments to cover legal costs.

#### **11. MONTHLY DEPARTMENT REPORT**

Public Works Director Beste presented the Monthly Department Report for December 2009. He stated that Well #9 at McMaster Park has been drilled and has good water quality and capacity, with production expected this summer. He stated that a building will be constructed to house the pump and they will use the existing tank until one can be built at the Yukon site.

He stated that there were six main breaks in December 2009 but that overall breaks in 2009 were 14% less than in 2008. He discussed plans currently in design to replace the main line on Western Avenue, with construction expected in spring or summer.

Responding to Commissioner Deemer's inquiry, Public Works Director Beste stated that the Goldsworthy Desalter got back on line today and discussed the overhaul and challenges that staff is facing since it took over its operation. He noted that the plant is designed to be expanded and double capacity to 5,000 acre-feet, but that staff will need to do cost estimates to see if this would be viable.

**MOTION:** Commissioner White moved to accept and file the Monthly Department Report as presented. Commissioner Deemer seconded the motion; a voice vote reflected unanimous approval.

**12. ORALS**

**12A.** Commissioner Deemer distributed "California Hit by Irrigation Drain" in the January 16, 2010 issue of Science News.

**12B.** Senior Administrative Analyst Schaich announced the South Bay Cities Council of Governments 11<sup>th</sup> General Assembly on February 26, 2010 in Carson.

**13. ADJOURNMENT**

**MOTION:** At 8:35 p.m., Commissioner Haddon moved to adjourn the meeting to February 18, 2010 at 7:00 p.m. in the West Annex Commission meeting room. The motion was seconded by Commissioner Lew and, hearing no objection, Chairperson See so ordered.

Approved as Submitted May 20, 2010 s/ Sue Herbers, City Clerk
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